

# Michigan Autism Insurance Reform Coalition

SB 414, SB 415 & SB 981 - Supported by



**Beaumont** | HEALTH SYSTEM



HOPE  NETWORK

**WESTERN MICHIGAN UNIVERSITY**



Academy of Pediatrics

ACT Network – Bingham Farms

Ann Arbor Families for Autistic Children's  
Education and Support

Autism Advisory Group - Leland

Autism Insurance in Michigan

Autism Resource Network – Traverse City

Autism Society of America

Autism Society of America – Oakland  
County Chapter

Autism Society of America – Macomb  
County Chapter

Autism Society of West Shore – Spring Lake

Behavior Analysts Association of Michigan

Detroit Medical Center

Early Intervention Center – Southfield and  
Walled Lake

Easter Seals

Elder Disability Rights Association of the  
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Family Chiropractic Care - Temperance

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Glenn Buege Chevrolet - Lansing

Judson Center

Macomb/St. Clair County Chapter of the Autism Society

Michigan ACTION

Michigan Association of Elementary and Middle School Principals

Michigan Association of School Administrators

Michigan Association of School Boards

Michigan Association of School Psychologists

Michigan Association of School Social Workers

Michigan Council for Maternal and Child Health

Michigan Nurses Association

Michigan Pharmacists Association

Michigan PTA

Michigan Secondary School Principals Association

Michigan Speech Language Hearing Association

Michigan State Medical Society

Mid-Michigan Autism Association - Lansing

Montcalm Intermediate School District

Monroe Intermediate School District

The Abilities Center – Walled Lake

The Ann Arbor Center for Developmental & Behavioral Pediatrics

Middle Cities Education Association – Albion, Battle Creek, Bay City, Beecher, Benton Harbor, Buena Vista, Dearborn, Ferndale, Flint, Garden City, Grand Rapids, Hazel Park, Highland Park, Inkster, Jackson, Kalamazoo, Lansing, Monroe, Mt. Clemens, Mt. Pleasant, Muskegon, Muskegon Heights, Niles, Pontiac, Port Huron, Romulus, Saginaw, Southfield, Waterford, Wayne-Westland, Westwood, Willow Run and Ypsilanti School Districts

&

Many other groups and individuals across Michigan...

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**Henry Ford Medical Group**

**Henry Ford Hospital  
& Health Network**

Henry Ford Hospital  
Henry Ford Behavioral Health Services  
Maplegrove Center  
Kingswood Hospital  
Henry Ford Cottage Hospital  
Henry Ford Medical Centers

**Henry Ford Physician Network**

**Henry Ford Macomb Hospitals**

Clinton Township Campus  
Mt. Clemens Campus  
Warren Campus  
Henry Ford Macomb Health Centers

**Henry Ford West Bloomfield Hospital**

**Henry Ford Wyandotte Hospital**  
Center for Health Services

**Health Alliance Plan**

Alliance Health and Life  
HAP Preferred  
CuraNet

**Community Care Services**

Henry Ford at Home  
Henry Ford Health Products  
Hospices of Henry Ford  
Henry Ford Extended Care  
Henry Ford Home Health Care  
Center for Senior Independence  
Greenfield Health Systems  
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Henry Ford OptiEyes  
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**Centers of Excellence**

Heart & Vascular Institute  
Josephine Ford Cancer Center  
Neuroscience Institute  
Transplant Institute  
Vattikuti Urology Institute

**henryford.com**

March 23, 2012

The Honorable Kenneth Kurtz  
Chairman, House Families, Children and Seniors Committee  
992 House Office Building  
Lansing, Michigan 48909

**RE: Autism Legislation**

Senate Bills 414, 415, and 981 require insurance coverage for the diagnosis and treatment of autism spectrum disorders. The Henry Ford Health System (HFHS) joins the Michigan Health and Hospital Association and the Michigan State Medical Society in support of requiring insurance coverage for autism.

Autism is one of the few chronic conditions currently not covered by insurance in Michigan. Twenty-nine other states have this coverage, with autism legislation pending in 10 other states.

Early diagnosis and intensive intervention leads to positive academic, functional, and vocational outcomes. Very few families have the financial resources to participate in these important therapies without insurance coverage. Passage of legislation to require insurance coverage will allow Michigan to assure greater access to families seeking treatment and help retain and attract qualified therapists to Michigan. The Henry Ford Center for Autism and Developmental Disorders provides diagnosis and treatment for autism, but our center is limited in the number of patients we can serve, due to the scarce number of competent, certified therapists -- most leave our state after graduation to pursue jobs in states which do provide reimbursement for their services through insurance coverage. Children who reside in less populous areas of Michigan currently have no nearby centers, although Henry Ford hopes to develop programming and make appropriate outreach efforts to begin serving these families as well.

The House has significantly improved the legislation by allowing insurers to create networks to allow for the highest quality of services to be available to families.





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**Centers of Excellence**  
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Transplant Institute  
Vattikuti Urology Institute

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In addition, there are cost containment provisions including staggered coverage amounts by age and an age 18 cap for eligibility for services and treatment. We support this version of the legislation requiring coverage for autism and would urge adoption.

Thank you for the opportunity to comment.

Sincerely,

CEO Henry Ford Health System

cc: Honorable Members, Families, Children & Seniors Comm.  
Honorable Rick Snyder, Governor  
Honorable Brian Calley, Lt. Governor  
David Meador



### SB 414, 415 & 981 - Positive Impact on Michigan's Economy:

- Jobs, Jobs, Jobs! This legislation will encourage job creation and help Michigan job providers retain BCBA's graduating from WMU and EMU.
- With **NO** treatment, the average cost for an individual suffering from autism, throughout their lifetime is **\$3.7 million (Harvard University Study)**. **Total cost, left untreated, to MI Taxpayers is \$56 Billion.**
- This legislation is estimated save Taxpayers **\$14 - \$30 Billion**.
- Nearly half of those that are diagnosed, who receive proper intervention, can reach normal function and another 40% show significant improvement. **Overall nearly 90 % of the children treated will have a greater opportunity and higher quality of life.** With the right evidence-based treatments, a child with autism has a greater chance of integrating into school and leading a productive life as a tax paying citizen.

### Business Support:

- *"...74 percent supported requiring insurance companies to cover the diagnosis and treatment of autism, with 17 percent opposed."* (Crain's Detroit Business – February 26, 2012; Epic-MRA survey of 300 area business managers and owners)

### Facts about Autism:

- According to the CDC, autism now affects 1 in 110 children and 1 in 70 boys. More children will be diagnosed with autism this year than with diabetes, cancer and AIDs combined. More than 15,000 Michigan children have been diagnosed with autism.
- Coverage for evidence-based treatments, endorsed by the American Academy of Pediatrics and the U.S. Surgeon General, are routinely denied by health insurers. This leaves families, who are paying health insurance premiums, to pay for treatment out of pocket or, even worse, to forego treatment altogether.
- Autism is a neurological brain disorder. Once a child is diagnosed, treatment for Autism is completely excluded from insurance coverage.
- NOT EVERY CHILD WITHIN THE ASD UMBRELLA REQUIRES \$50,000 WORTH OF THERAPY!
- Roughly 20% of all children with an ASD fall on the lowest functioning end of the spectrum, requiring the most intensive, longest term intervention programs. Roughly 80% of all children with an ASD fall in the mid-high functioning range.

- Not all children need highly structured, clinical settings. *The mid-high functioning children will need therapy, but generally at a lower intensity than those with lower functioning OR they may require high intensity for a shorter period of time and then move to other, less intensive environments.*

- 29 states have passed similar legislation with a majority of the other states currently pursuing passage.
- Michigan is currently ranked as one of the **10 worst states** to raise a child with autism.

### **SB 414, 415 & 981 – Summary**

- Components of the Autism proposal seek to cover **ALL** kids with autism through SB 414, 415 and 981, in addition to Medicaid covering autism related treatments. Also, because State Employees have a choice in choosing a PPO or HMO, employees choosing the HMO plan will have autism insurance coverage.

### **SB 414/415 - Evidence-based only therapies; narrow in scope**

- This legislation is narrow in scope; only allowing licensed physicians and psychologists to diagnose autism. It also limits treatments to evidence-based therapies and provides for behavior, speech, occupation and physical therapies. Behavior therapy (ABA) must be provided or supervised by a Board Certified Behavioral Analyst.

### **SB 981 - Dynamic feature to avoid cost to businesses**

- SB 981 is a dynamic feature which covers the cost of the mandate so there are no imposed costs to businesses. This also serves as an incentive for ERISA plans to adopt coverage.
- SB 981 creates the “Autism Coverage Incentive Act” (ACIA) to avoid costs to businesses. This program shall provide funds, as approved by LARA, to reimburse carriers and Third Party Administrators (TPA’s) for paid claims for the “diagnosis of autism spectrum disorders” and “treatment of autism spectrum disorders” as these terms are defined in SB 414 and 415. The total appropriation for the ACIA is \$15 million.

### **Medicaid:**

- Providing coverage through Medicaid and MICHild will allow parents to access services of varying intensity and expenses based on a child’s need. As part of a nationwide recognition that these treatments are effective, many states now require coverage of ASD treatments. This coverage is recognized in the Governor’s budget recommendation starting FY ’13.